



DEPARTMENT OF COMMERCE

**International Trade Administration**

**[A-570-827]**

**Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2020-2021**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) has completed its administrative review of the antidumping duty order on certain cased pencils (cased pencils) from the People's Republic of China (China) for the period of review (POR) December 1, 2020, through November 30, 2021. We continue to find that the single entity Wah Yuen Stationery Co. Ltd./Shandong Wah Yuen Stationery Co. Ltd. (Wah Yuen) had no shipments of cased pencils during the POR. We also continue to find that Tianjin Tonghe Stationery Co., Ltd. (Tianjin Tonghe) and Ningbo Homey Union Co., Ltd. (Ningbo Homey) are not eligible for a separate rate and should be treated as part of the China-wide entity.

**DATES:** Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:** Sergio Balbontin, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-6478.

**SUPPLEMENTARY INFORMATION:**

Background

On July 19, 2022, Commerce published the *Preliminary Results* in the *Federal Register*.<sup>1</sup>

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<sup>1</sup> See *Certain Cased Pencils from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2020–2021*, 87 FR 42998 (July 19, 2022).

We invited interested parties to comment on the *Preliminary Results*; however, no interested parties submitted comments. Accordingly, we made no changes to the *Preliminary Results*.

#### Scope of the Order<sup>2</sup>

The merchandise covered by the *Order* is certain cased pencils of any shape or dimension (except as described below) which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (*e.g.*, with erasers, *etc.*) in any fashion, and either sharpened or unsharpened. The pencils subject to the *Order* are currently classifiable under subheading 9609.10.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Specifically excluded from the scope of the *Order* are mechanical pencils, cosmetic pencils, pens, non-cased crayons (wax), pastels, charcoals, chalks, and pencils produced under U.S. patent number 6,217,242, from paper infused with scents by the means covered in the above-referenced patent, thereby having odors distinct from those that may emanate from pencils lacking the scent infusion. Also excluded from the scope of the *Order* are pencils with all of the following physical characteristics: (1) length: 13.5 or more inches; (2) sheath diameter: not less than one-and-one quarter inches at any point (before sharpening); and (3) core length: not more than 15 percent of the length of the pencil.

In addition, pencils with all of the following physical characteristics are excluded from the scope of the *Order*: novelty jumbo pencils that are octagonal in shape, approximately ten inches long, one inch in diameter before sharpening, and three-and-one eighth inches in circumference, composed of turned wood encasing one-and-one half inches of sharpened lead on one end and a rubber eraser on the other end.

Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise covered by the scope of the *Order* is dispositive.

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<sup>2</sup> See *Certain Cased Pencils from the People's Republic of China: Continuation of Antidumping Duty Order*, 82 FR 41608 (September 1, 2017); and *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994) (collectively, *Order*).

## Final Determination of No Shipments

In the *Preliminary Results*, Commerce determined that Wah Yuen<sup>3</sup> had no shipments of cased pencils during the POR, based on our analysis of U.S. Customs and Border Protection (CBP) entry documentation and Wah Yuen's questionnaire responses. We received no comments on our preliminary finding. As there is no information on the record that calls into question the finding in the *Preliminary Results*, we continue to find in the final results of this review that Wah Yuen had no shipments of subject merchandise during the POR.

## China-Wide Entity

With the exception of Wah Yuen, we find all other companies for which a review was requested to be part of the China-wide entity, because they did not file no-shipment statements, separate rate applications, or separate rate certifications. Accordingly, Tianjin Tonghe and Ningbo Homey are part of the China-wide entity. Because no party requested a review of the China-wide entity, and Commerce no longer considers the China-wide entity as an exporter conditionally subject to administrative reviews, we did not conduct a review of the China-wide entity.<sup>4</sup> Accordingly, the rate previously established for the China-wide entity is 114.90 percent and is not subject to change as a result of this review.<sup>5</sup>

## Assessment Rates

Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries in accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1). Because

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<sup>3</sup> In a prior administrative review, Commerce determined that Wah Yuen Stationery Co. Ltd. and Shandong Wah Yuen Stationery Co. Ltd. are affiliated pursuant to section 771(33) of the Tariff Act of 1930, as amended (the Act), and should be treated as a single entity pursuant to 19 CFR 351.401(f). See *Certain Cased Pencils from the People's Republic of China: Preliminary Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 37573 (June 10, 2016), and accompanying Preliminary Decision Memorandum, at 9-10, unchanged in *Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 74764 (October 27, 2016); see also *Certain Cased Pencils from the People's Republic of China: Amended Final Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 92784 (December 20, 2016) (*Amended New Shipper Review*). We received no comments regarding our treatment of these companies as a single entity and therefore continue to collapse them for the final results of this administrative review.

<sup>4</sup> See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

<sup>5</sup> See *Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012–2013*, 80 FR 26897 (May 11, 2015).

we determined that Tianjin Tonghe and Ningbo Homey are not eligible for a separate rate and are part of the China-wide entity, we intend to instruct CBP to apply an *ad valorem* assessment rate of 114.90 percent (*i.e.*, the China-wide entity rate) to all entries of subject merchandise during the POR that were exported by these companies. In addition, as Commerce continues to find that Wah Yuen did not have any shipments of subject merchandise during the POR, we will instruct CBP to assess any suspended entries of subject merchandise associated with Wah Yuen at the China-wide rate.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of these final results of review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) Wah Yuen's cash deposit rate will continue to be its existing exporter-producer specific rate, 30.55 percent;<sup>6</sup> (2) for previously investigated or reviewed Chinese and non-Chinese exporters for which a review was not requested and that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate published for the most recently-completed period; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity; and (4) for all non-Chinese exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These deposit

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<sup>6</sup> See *Amended New Shipper Review*.

requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers Regarding the Reimbursement of Duties

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification Regarding Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

#### Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h) and 19 CFR 351.221(b)(5).

Dated: August 26, 2022.

**Lisa W. Wang,**

*Assistant Secretary*

*for Enforcement and Compliance.*